



REPORT
CO NO.

DATE OF
INFORMATION 1953

DATE DIST. 23 Dec 1953

NO. OF PAGES 4

SUPPLEMENT TO
REPORT NO.

THIS IS UNEVALUATED INFORMATION

SHENSI WHEAT HARVEST INCREASED 30 PERCENT OVER 1952;
WHEAT PURCHASING IN HUPEH, HONAN, AND KWANGTUNG

Wheat purchasing is in progress in Hupeh, Honan, and Kwangtung. Good results are reported in Hupeh and Honan, but in a letter to the editor, a writer complained that the purchasing program in a local area of Kwangtung needs better planning. One of the faults mentioned was a price war between cooperatives and private companies.⁷

Sian, 30 June (Hsin-hua) -- The harvest of more than 23 million mou of wheat land in Shensi has been completed. With the exception of areas in northern and southern Shensi that suffered damages from high winds and frost, the majority of regions obtained an unprecedented harvest. The total harvest amounted to better than 3,300,000,000 catties of wheat, with an average of 144.5 catties per mou.

Because of careful cultivation, seed selection, close planting, insect extermination, and timely rains, the majority of Shensi's hsiens and municipalities exceeded their production plans. Based on statistics from 57 hsiens and municipalities in the Kuan-chung and southern Shensi areas, 42 had abundant yields and exceeded their production plans by 9 to 33 percent. In Ch'ang-an, Wu-kung, Hsing-p'ing, Hua, Ch'eng-ku, and Chou-chih hsiens, the average yields were 240-270 catties per mou. In 22 hsiens, including Wei-nan and San-yuan, production was

- 1 -

STATE	NAVY	NSRB	DISTRIBUTION						
ARMY	AIR	FBI							

50X1-HUM

CONFIDENTIAL

over 200 catties per mou. Many agricultural production cooperatives, mutual aid teams, and individual farmers obtained record-breaking yields. For example, a cooperative in Wang-mang Ts'un, Ch'ang-an Hsien, had an average yield of 560 catties per mou from its 22 mou of nonirrigated land. In Pao-ch'eng Hsien, a mutual aid team produced over 643 catties of wheat per mou from 10.7 of nonirrigated land. A farmer in Chia-ch'eng-pao Ts'un of Ch'ang-an Hsien harvested 884 catties of wheat from 1.1 mou of irrigated land.

SHANTUNG AND HOPEH REPORT GOOD FALL CROPS -- Tientsin, Ta Kung Pao, 9 Jul 53

Peiping, 7 July (Hsin-hua) -- The provinces of Shantung and Hopeh report that fall crops are in excellent condition. In the special administrative districts of Lin-i, T'ai-an, and Ko-tse in Shantung, kaoliang is already 4-5 feet high, millet is 2 feet high, comparatively good cotton stalks have more than ten buds, and early planted soybean crops are 4-5 inches high. Fall crops are also flourishing in the Chiao-tung coastal areas of Shantung and in the P'o-hai plains of Hopeh. In the Hopeh special administrative districts of Han-tan, Hsing-t'ai, and Shih-chia-chuang, millet is 6-7 inches high, kaoliang over one foot high, and cotton is 7-8 inches high. In late planted areas, such as T'ung Hsien and the T'ang-shan and T'ien-ching Special Administrative Districts, fall crops are generally 4-5 inches high.

To obtain the abundant harvests, the farmers of Shantung and Hopeh hoed and fertilized their crops. Summer rains were heavy in Shantung, and during May farmers in all regions inspected young shoots and replanted wherever necessary. At the end of June, most of the kaoliang fields had been hoed three times, millet and cotton lands twice. After the wheat harvest in Ko-tse Special Administrative District, soybean land was hoed once. In Shantung, attention was also given to the application of fertilizer. Prior to 20 June, over 410 million catties of processed vegetable fertilizer, 40 million catties of chemical fertilizer, and 38 million catties of miscellaneous fertilizer were supplied to the farmers. In some areas the second application of fertilizer on the cotton fields is already half completed. The farmers of Huang Hsien purchased over 5 million catties of processed fertilizer to carry out follow-up operations.

In Hopeh, farmers in all areas conquered spring drought, and then after the sowing period, began inspection of shoots and replanting activities. Many areas also used close planting and less intensive thinning methods. In Chin Hsien, the cotton fields on irrigated land were thinned to 3,000-3,500 stalks per mou, on nonirrigated land to 4,000 stalks per mou. The majority of grain crops in She Hsien were thinned to 20,000 stalks per mou; the densest fields were about 40,000 stalks per mou.

HUPEH EXCEEDS JUNE WHEAT PURCHASING QUOTA -- Tientsin, Ta Kung Pao, 9 Jul 53

Because the Hupeh food authorities and cooperatives made good preparations prior to wheat purchasing activities, and because of a clearer understanding of price policy and simplified purchasing methods, the June purchasing plan, up to 25 June, has already been exceeded by 59.1 percent.

In 1953, Hupeh has had an abundant wheat harvest and this has raised the comparative prices of rice and wheat. Each 100 catties of wheat can now be exchanged for 85 catties of rice (in 1952, the rate was only 80 catties of rice for 100 catties of wheat). For this reason, wheat is rapidly appearing on the market. For example, O-ch'eng Hsien purchasing stations had an average wheat intake of more than 800,000 catties per day during the first 10 days of June; this figure reached 1,620,000 catties per day on 6 June.

- 2 -

CONFIDENTIAL

50X1-HUM

CONFIDENTIAL

The wheat has been coming to market rapidly and there have been no delays or any signs of farmers waiting to sell their grain. This is due to the revision and simplification of methods by the purchasing stations. Less time and fewer workers are used in purchasing activities now; consequently, the work efficiency rate has been improved.

The farmers of Hupeh are rice eaters so the demand for rice in this wheat-producing region is very high. Based on the statistics of Hsiao-kan Hsien, over 80 percent of the farmers sold wheat and bought rice during a 10-day period in June. The Hupeh Food Bureau supplied the rice to meet the farmers' demands; in June, more than 4 million catties of rice were sent to the Huang-kang Special Administrative District, and more than 6 million catties to Huang-peï and Hsiao-kan hsiens.

HONAN HSIEN EXCELS IN WHEAT PURCHASING -- Tientsin, Ta Kung Pao, 9 Jul 53

Ju-nan Hsien of the Hsin-yang Special Administrative District in Honan has had very good results in purchasing wheat. From 5 - 24 June, this hsien purchased a total of 2,325,488 catties of wheat which was more than 85 percent of the wheat appearing on the market. The June buying quota was exceeded by 6.64 percent.

The achievements of Ju-nan Hsien are attributed to a strengthened leadership, to the network of purchasing stations established by the cooperatives, and to the organized system of supply of production materials and consumer goods.

KWANGTUNG HSIEN NEEDS BETTER PLANNING IN WHEAT PURCHASING -- Tientsin, Ta Kung Pao, 9 Jul 53

In a letter to the editor, a writer stated that the Sixth Ch'u of Ying-te Hsien, Kwangtung, has been the key wheat-producing region of the province. After the completion of land reform in the winter of 1952, wheat land was expanded and production increased. However, in 1953, wheat prices were regulated and recently there have been some floods. The farmers were thus forced to sell their wheat to buy rice (people in this region are unaccustomed to flour products) and fertilizer. The Kwangtung Food Bureau and the associated cooperatives have not solved the production problem and basic demands of the people.

The writer said that the following problems developed during wheat purchasing activities:

1. During wheat purchasing the policy of pricing by grade was ignored and only the best grain was bought. This policy was followed from the end of April to the end of May and resulted in the farmers selling their grain to private companies. Up to 15 June, of the 1,200,000 catties of wheat on the market, the cooperatives purchased only 320,000 catties.
2. Cooperatives did not make preparations for supplying production materials and consumer goods. Consequently, the money the farmers get for their wheat goes to independent markets.
3. The Hsien Food Office and associated cooperatives did not issue loans in time to meet the needs of the farmers.
4. Beginning at the end of May, there was a price war with the private companies. This began as soon as the cooperatives, following upper level directives, initiated large-scale buying of wheat.

- 3 -

CONFIDENTIAL

50X1-HUM

CONFIDENTIAL

The writer concluded that there were two reasons for the conditions. First, the ch'u cooperatives blindly followed the directives of the upper level without adhering to the opinions of the people and without concern for the welfare of the people. Second, the Hsien Food Office and the associated cooperatives did not make thorough investigations and therefore were not prepared to rectify the mistakes of the purchasing program.

- E N D -

50X1-HUM

- 4 -

CONFIDENTIAL